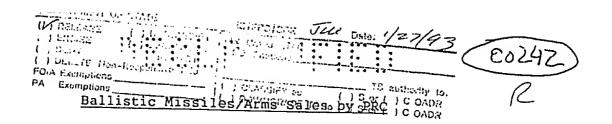
00985

1988/09/00



- O China's sale of intermediate range ballistic missiles to Saudi Arabia highlighted the necessity to work to achieve stronger international curbs on the transfer of ballistic missile systems and component technology.
- O As part of our global effort, we have stressed to the Chinese our concern over the destabilizing nature of transfers of this type of weapons system, especially to volatile regions such as the the Middle East and South Asia.
- o China and Saudi Arabia have said the missiles will not be equipped with nuclear warheads. The Saudis also have assured us that they will not be equipped with chemical warheads.
- On a number of occasions, including during Secretary Shultz' and Secretary Carlucci's trips to China last year, the United States expressed its concern to senior Chinese leaders over the dangers posed by ballistic missile proliferation.
- Chinese leaders have responded that they will take a prudent and responsible attitude regarding weapons sales, including the sale of missiles.
- We believe the PRC understands the concerns we have expressed, and our constructive dialogue with them thus far provides a basis for optimism.
- We will continue to urge China and other nations to refrain from exporting missiles with a range greater than 300 kilometers and a payload over 500 kilograms. These are the limits on missile and missile technology exports accepted by the signatories to the Missile Technology Control Regime (US, UK, Canada, FRG, France, Japan, Italy).